

Home Insurance FAQ's

Q. Are deductibles required and if so, what are they?

A. Yes, most homeowner forms contain deductible provisions applicable to losses occurring under Section I (Section I losses include (a) dwelling, (b) appurtenant structure, (c) unscheduled personal property, and (d) additional living expenses. The type and amount of deductible varies by company; however, most companies that write homeowner policies in West Virginia require a \$ 50 or \$ 100 deductible applicable to Section I losses. Deductible provisions do not apply to Section II losses (Section II losses include personal liability [bodily injury and property damage] and medical payments to others). Some companies offer an optional deductible applicable only to wind or hail losses. Most offer higher deductible options such as \$ 250 or \$ 500 at a reduced premium.

Q. What property and perils are excluded from most homeowner policies?

A. Most homeowner policies exclude coverage for animals, birds, fish, automobiles, and business property; for loss or damage caused by flood, surface water, water that backs up through sewers or drains, earth movement, nuclear damage, war, etc. Coverage for personal liability and medical payments exclude coverage due to the operation, ownership, use, etc..., of any aircraft, automobile, recreational motor vehicle, water craft powered by more than 50 horsepower motor; bodily injury or physical damage caused by an intentional act of the insured. It must be noted that these are a mere sample of property and perils not covered. A complete review of your policy is the only way to determine what property is covered and what perils are insured against. In addition, there are specific limits of coverage on property insured under the homeowner policy such as money, securities, watercraft, theft of jewelry, silverware, and or guns.

Q. Is an insurance company obligated to issue me a homeowner policy?

A. In West Virginia, an insurance company writing homeowner policies is not obligated to offer coverage to all applicants. Each company has their own underwriting requirements and, therefore, may decline an applicant if such applicant does not meet the company's underwriting criteria. It should be noted that when a homeowner policy is up for renewal, the company may reunderwrite that risk for the next policy term.

Q. Can an insurance company cancel my homeowner or property insurance policy?

A. After the policy has been in effect for more than sixty days, a notice of cancellation may not be issued unless it is based on one of the following reasons:

Non-payment of premium; Conviction of the insured of any crime having as one of its necessary elements an act increasing any hazard insured against; Discovery of fraud or material misrepresentation; Discovery of willful or reckless acts or omissions by the insured which increase any hazard insured against; The occurrence of a change in the risk which substantially increases any hazard insured against; A violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property; A determination by the commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of WV; Real property taxes owing on the insured property that have been delinquent for two or more years and continue delinquent at the time the notice of cancellation is issued; The insurer ceases writing that type of coverage or discontinues operation in WV; a substantial breach of the provisions of the policy

Q. Can an insurance company nonrenew my homeowner or property insurance policy?

A. An insurer must elect one of two methods to nonrenew the policy and file their election with the commissioner's office. Both methods require the insurer to give at least a thirty-day notice before the end of the policy period and the notice shall state the specific reasons for refusal to renew.

Enumerated Reasons: A policy that is over four years old and issued by an insurer who elected to nonrenew based upon the enumerated reasons in the law may nonrenew the policy for: Non-payment of premium; Conviction of the insured of any crime having as one of its necessary elements an act increasing any hazard insured against; Discovery of fraud or material misrepresentation; Discovery of willful or reckless acts or omissions by the insured which increase any hazard insured against; The occurrence of a change in the risk which substantially increases any hazard insured against; A violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property; A determination by the commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of WV; Real property taxes owing on the insured property that have been delinquent for two or more years and continue delinquent at the time the notice of cancellation is issued; The insurer ceases writing that type of coverage or discontinues operation in WV; a substantial breach of the provisions of the policy; two or more paid claims under a policy within a period of thirty-six months.

Alternative Method: An insurer who elected to nonrenew based upon the alternative method may nonrenew the policy for any reason "consistent with its underwriting standards", as long as the decision is not made for an unlawfully discriminatory reason. Under the alternative method, an insurance company could only non-renew up to 1% of its total property policies statewide and only 1% in each county (but at least one policy per county) each year.